

Adopted Budget At-a-Glance



American Fork City, Utah
Fiscal Year 2019-2020

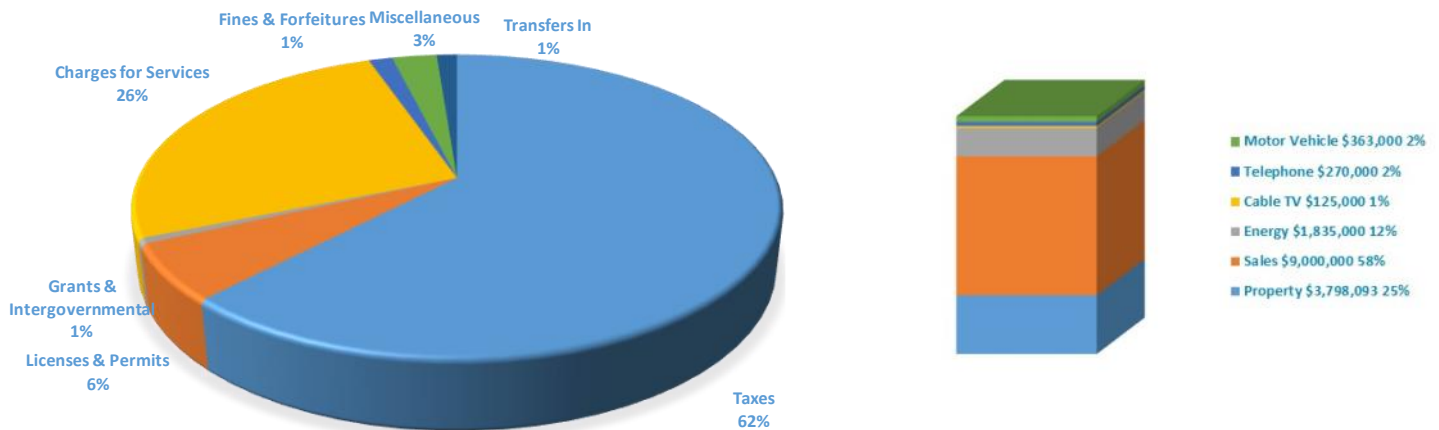
TOTAL CITY BUDGET
\$68,035,013

EMPLOYEE COMPENSATION
28.2%
OF THE BUDGET

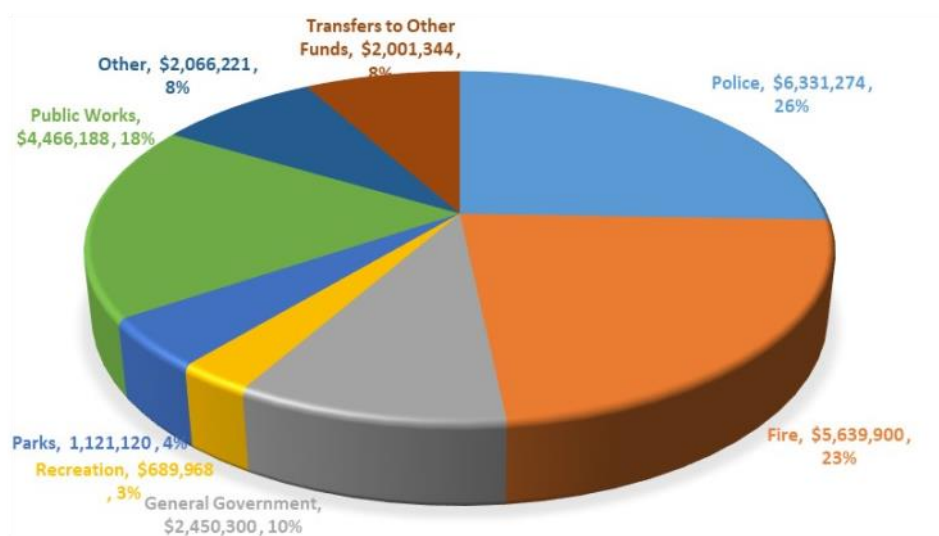
FULL-TIME EQUIVALENT
EMPLOYEES
263.84

TOTAL GENERAL FUND
\$24,766,315

GENERAL FUND REVENUE



GENERAL FUND EXPENDITURES



The City's budget is divided into multiple funds and operations. Below is a description of a few of the most common fund types, which make up the majority of the City's overall budget. This report only focuses on revenue and expenditures for these larger fund types:

General Fund

The General Fund accounts for all expenses not restricted for specific purposes. These are the functions typically associated with a government, such as: Public safety, snow removal, parks & recreation, and the library.

Special Revenue Funds

These funds are designated or restricted for specific purposes by law or sound financial management.

Examples at American Fork City include the Fitness Center, Celebration fund, and Redevelopment Agency funds.

Proprietary Funds

Proprietary funds are broken into two types—Internal Service funds and Enterprise funds. Internal service

funds are used to pay for services that are used within the City. The City uses internal service funds for its fleet operations and information technology investments. Enterprise funds are accounted for similar to a business, and the fees charged for service should cover its expenses. Examples of enterprise funds at the City include the culinary water, pressurized irrigation, sewer, storm drain, and sanitation (garbage).

Capital Project Funds

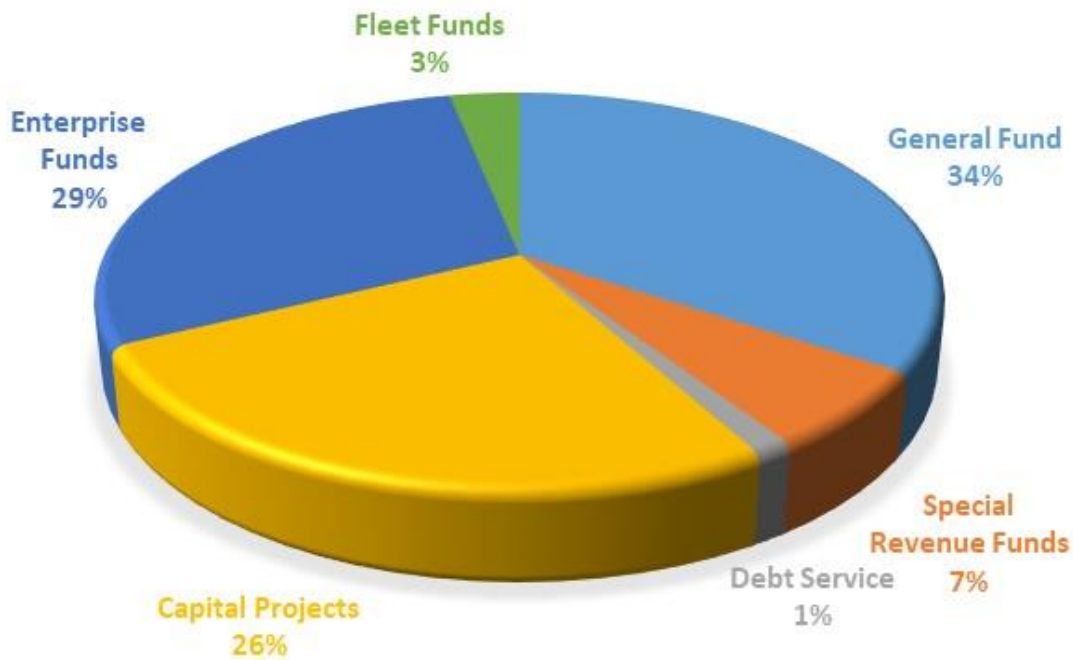
Capital project funds are used for the construction or acquisition of major capital facilities or equipment

costing greater than \$10,000. These are generally used for large or expensive projects such as buildings or roads.

Where the Money Comes From

American Fork's comprehensive revenue summary is a combination of all the individual funds. The chart breaks down each fund by the percentage of the total budget. The individual funds each have a distinct purpose, or in the case of the general fund, revenues not accounted for in another fund.

The combined budget totals **\$66,167,335**



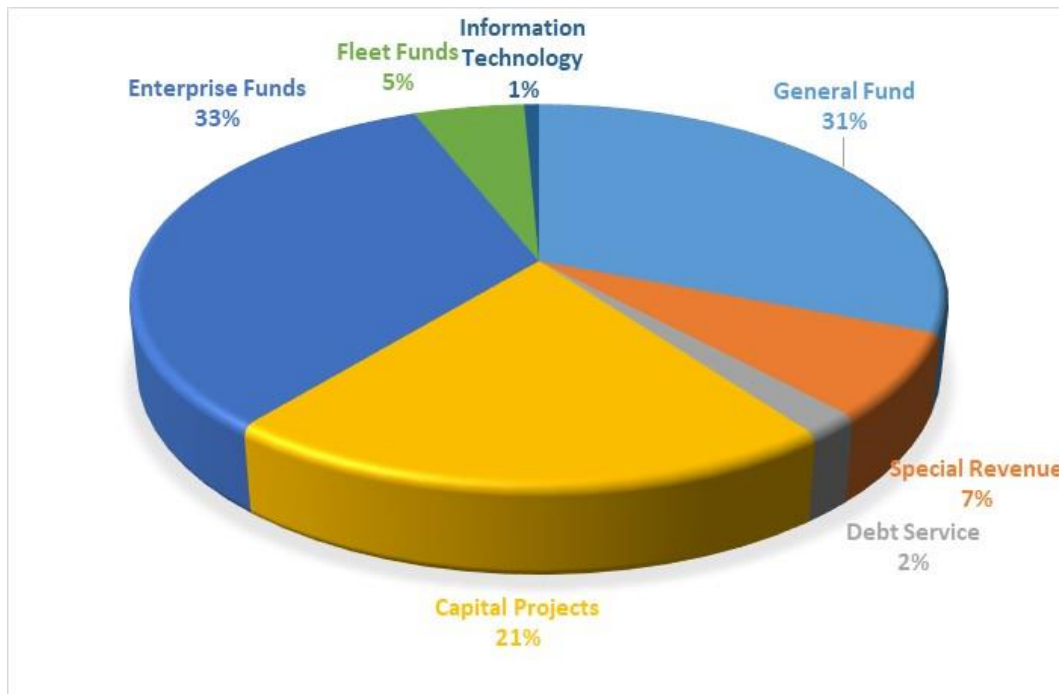
General Fund	\$22,685,005
Special Revenue	\$4,238,292
Debt Service	\$808,125
Capital Projects	\$17,120,000
Enterprise Funds	\$19,206,718
Fleet Funds	\$2,109,195

Major Revenue Sources by Fund	
Special Revenue Funds	Fitness center membership and admittance fees, Redevelopment Agency tax increment, PARC sales tax collections, interest earnings.
Debt Service Fund	Property tax, interest earnings.
Capital Projects	Grants, property tax, sales tax, impact fees, interest earnings, bond proceeds.
Enterprise Funds	User fees, grants, interest, impact fees, other charges.
Fleet Funds	Capital lease proceeds, interest earnings.

Where the Money Goes

American Fork's comprehensive expense summary is a combination of all the individual funds. The chart breaks down each fund by the percentage of the total budget. The individual funds each have a distinct purpose, or in the case of the general fund, covers the costs of operation for specific departments.

The combined budget totals **\$68,035,013**



General Fund \$20,936,743

Special Revenue \$4,797,166

Debt Service \$1,256,683

Capital Projects \$14,681,770

Enterprise Funds \$22,366,580

Fleet Funds \$3,522,133

Info Technology \$473,938

What's Included in Each Fund Type?

Special Revenue Funds Municipal Building Authority, Fitness Center, PARC Tax, Celebration, and Redevelopment Agencies.

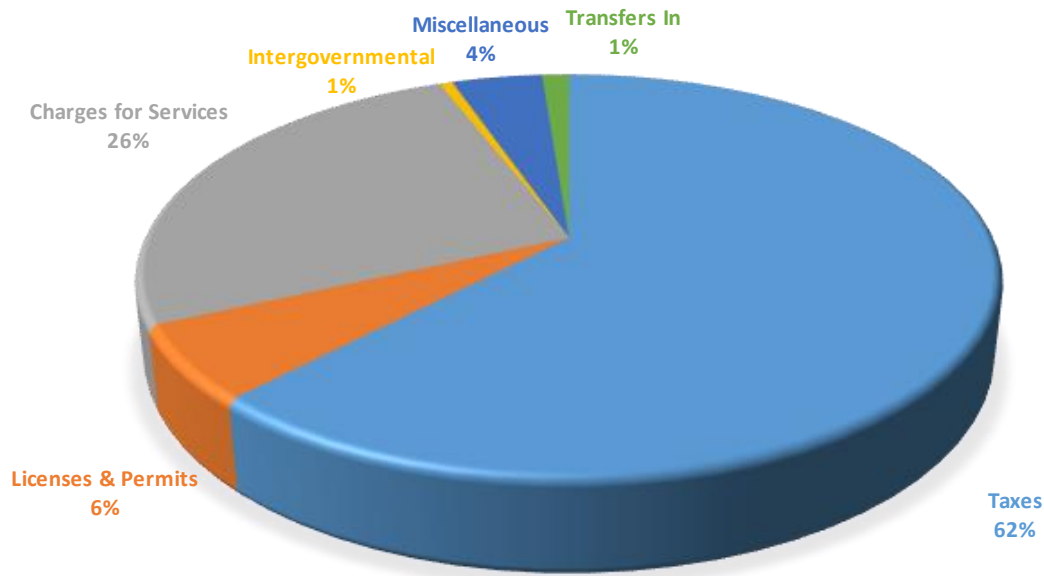
Debt Service Fund Includes all debt service payment, except for water and secondary irrigation, and capital lease payments.

Enterprise Funds Culinary Water and Secondary Irrigation, Sewer Fund, Storm Drain Fund, and Sanitation Fund. Also includes capital projects for those functions.

General Fund Revenues

The General Fund is the largest fund. The money in this fund is responsible for all governmental activities that are not restricted by law to be in a separate fund or separated by sound financial management. The largest source of revenue is taxes and fees.

Revenues in the General Fund total **\$24,766,315**

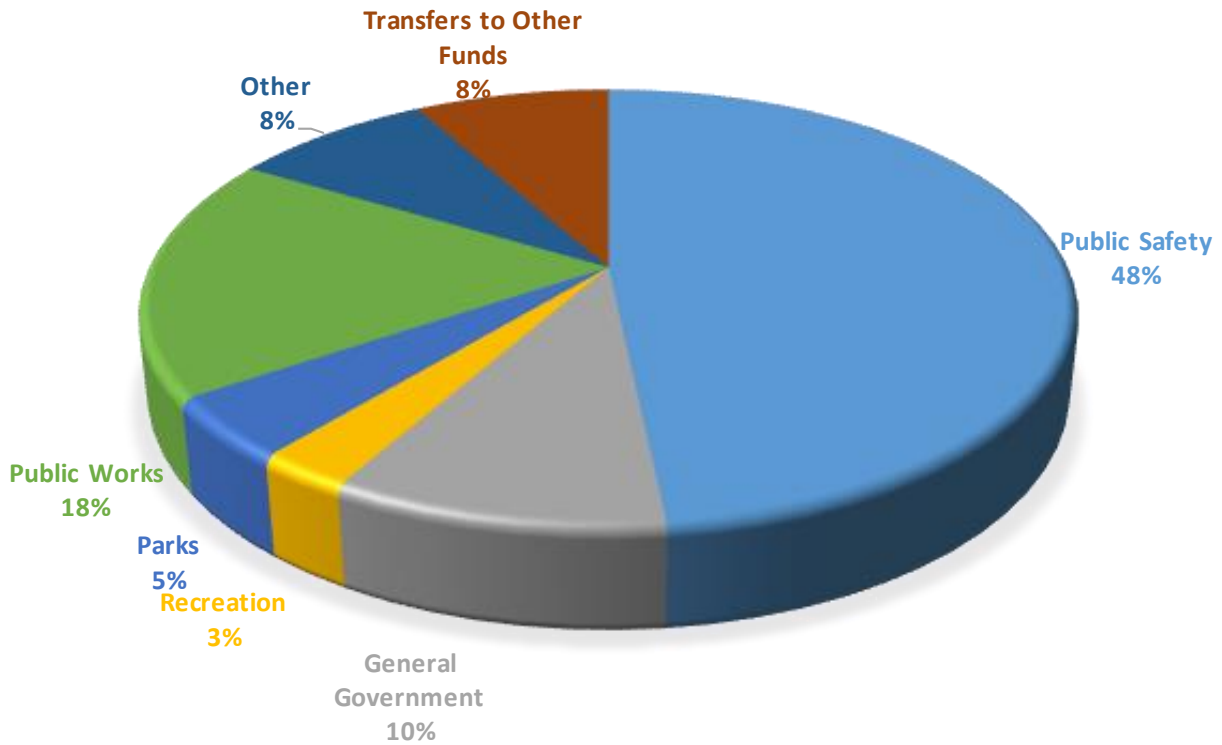


Taxes	\$15,391,093
Charges for Services	\$6,435,970
Licenses & Permits	\$1,488,800
Grants & Intergovern.	\$140,806
Miscellaneous	\$660,013
Fines & Forfeitures	\$350,000
Transfers In	\$299,633

Revenue Collection	
Taxes	Property tax, sales tax, franchise tax, and motor vehicle fees.
Charges for Services	Ambulance fees, administrative charges to other funds, development inspection fees, Cedar Hills contracts, recreation fees, cemetery fees.
Licenses & Permits	Building permits, business licenses, and other permits.
Grants & Intergovernmental	State liquor fund allotment, federal COPS & VOCA grants, Communities that Care grant (county), library grants.
Transfers In	Interest earnings on the perpetual care fund, reimbursements from other funds.

General Fund Expenditures

Expenditures in the General Fund total **\$24,766,315**



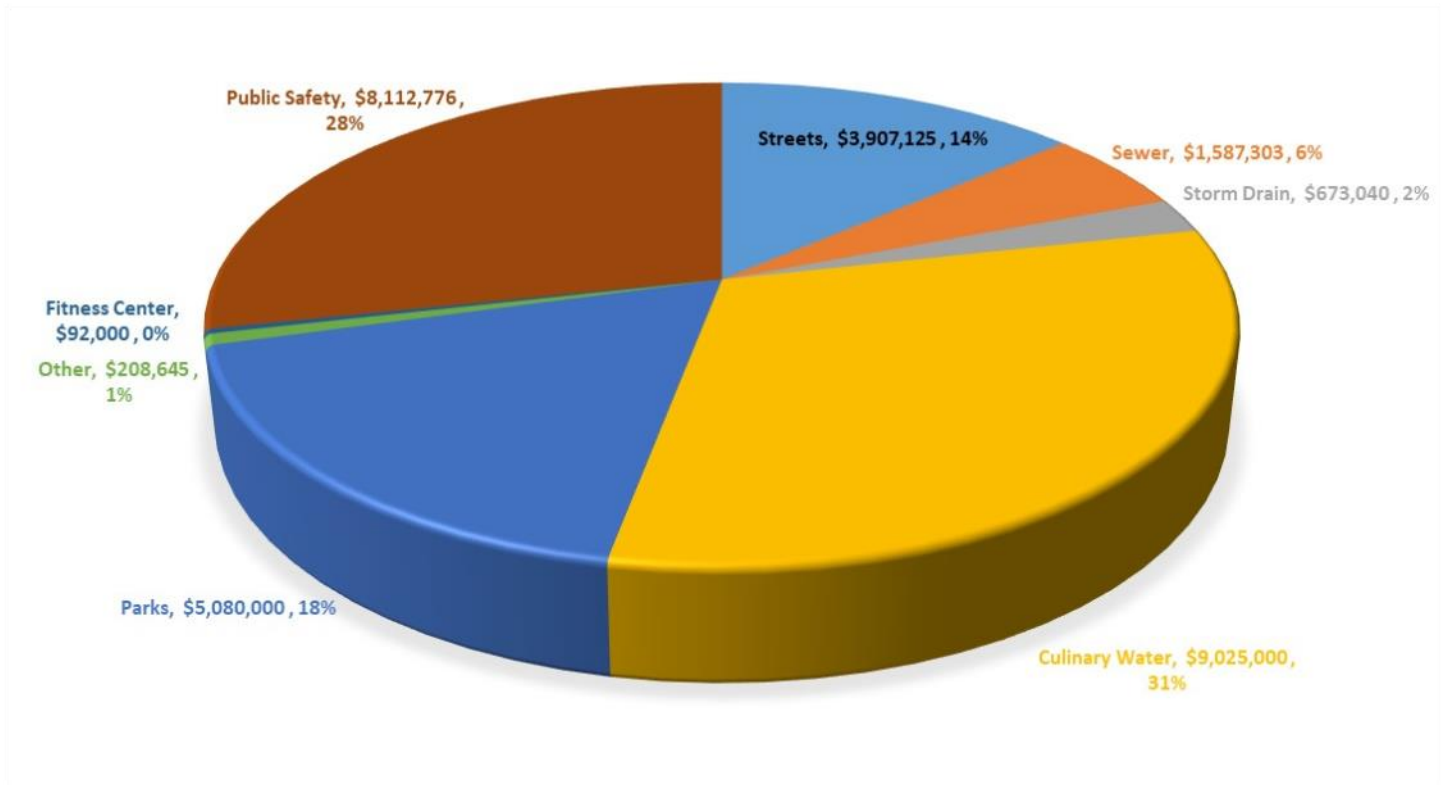
General Fund Expenditures

Public Safety	\$11,971,174
Public Works	\$4,466,188
General Government	\$2,450,300
Parks	\$1,121,120
Recreation	\$689,968
Other	\$2,066,221
Transfers to Other Funds	\$2,001,344

General Fund Departments

Public Safety	Police, fire, code enforcement, and animal control. Includes services provided to Cedar Hills.
Public Works	Streets, building maintenance, engineering, and building inspection.
Parks	Parks and boat harbor.
General Government	General administration, legislative (Council), executive (Mayor), and legal.
Other	Citizen committees, senior citizens, library, literacy center, planning, and cemetery.
Transfers to Other Funds	Transfers to the celebration fund, capital project funds, fitness center fund, and broadband fund.

Total City-Wide Projects: **\$28.7 Million**



Top 5 Capital Projects

- \$6,775,000 36" Waterline Replacement**—Phase 1 to replace the waterline along 600 E, including road and drainage improvements.
- \$5,600,000 Fire Station 52**—Construction of a fire station in the northeast portion of the City. This station will also include an indoor shooting range for the police department.
- \$5,000,000 200 South Bike & Pedestrian Path**—This is to construct a bike and pedestrian path along 200 South. This project is mainly funded by a grant from MAG (Mountainland Association of Governments).
- \$2,776,125 Pavement Management Plan**—Continued funding to improve the City's road infrastructure.
- \$1,600,000 Fire Ladder Truck**—This is to replace the City's current 2006 ladder truck. The current vehicle will be moved to backup status.

Total City-Wide Projects: **\$28.7 Million**

General Capital Projects

\$2,776,125 **Annual Pavement Management Plan**

\$5,000,000 **200 South Bike/Pedestrian Trail**

\$5,600,000 **Fire Station 52**

\$92,000 **Fitness Center Maintenance & Repairs**—Includes facility paint & flooring upgrades, roof replacement over the track, new cinder block entry for “the bubble,” new cardio equipment, and a new tarp for the leisure pool.

\$221,000 **Streets Loader & Other Equipment**

\$60,000 **New Playground Equipment**

Water Fund Capital Projects

\$6,775,000 **36” Waterline Phase I—600 East**

\$1,000,000 **Upper Tank Rehabilitation**

\$350,000 **Utility Betterments—Main & State—300 West**

Sewer Fund Capital Projects

\$300,000 **Sliplining**

\$500,000 **Pipe Bursting**

\$457,303 **450 West Upsizing**

Storm Drain Capital Projects

\$643,040 **American Fork River Rehabilitation**

Fleet Fund Capital Projects

\$1,600,000 **Fire Ladder Truck**

\$509,195 **Fire Ambulance and Brush Truck (to Provide Service for Cedar Hills City)**

\$363,581 **Police Vehicle Rotation/Vehicles for New Officers**

Sales and Property Taxes

Sales tax is a critical component of the City's ability to fund essential services. This is partially due to property tax not having built-in inflationary measures (the City receives the same amount of revenue as the prior year plus any new growth).

Here is an example of a sales tax transaction (vehicle purchase) and property taxes paid on a \$290,000 home:

Sales Tax Example		
Vehicle Purchase		Amount
Taxable Value		\$30,000
Sales Tax Paid	%	Amount
State	4.85%	\$1,455
City*	1.00%	\$300
Mass Transit	0.55%	\$165
County Transit	0.25%	\$75
Infrastructure	0.25%	\$75
County	0.25%	\$75
PARC	0.10%	\$30
Total	7.25%	\$2,175

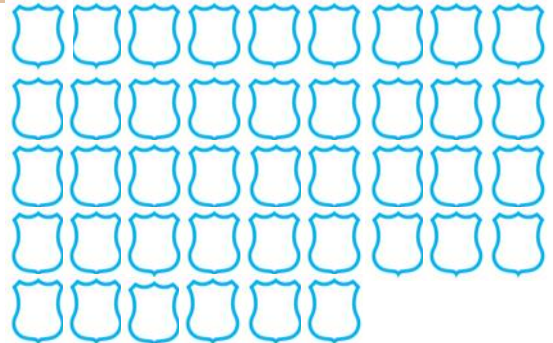
*American Fork City only receives about 78% of the 1.00% for cities. This equates to \$234 in this example.

Property Tax Example		
Market Value		\$290,000
Taxable Value	55%	\$159,500
Taxes Paid (2018)	%	Amount
School	0.7033%	\$1,122
City**	0.2077%	\$332
County	0.0732%	\$124
Water	0.0419%	\$67
Fees	0.0179%	\$30
Total	1.0440%	\$1,675

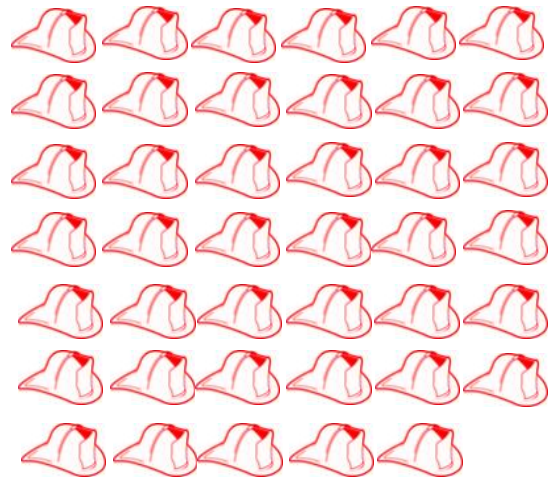
** City portion equals \$28/month

What Does Property Tax (\$28 per Month) and Sales Tax Help Pay for?

42 Police Officers



40 Fire Fighters



30 Parks



1 Library



121 Miles of Streets



And Much More!!

As of July 1, 2019, the City's total debt is \$42,274,124. Of this amount, \$36,380,000 is general obligation debt backed by the full faith and credit of the American Fork City government. The remainder of the City's bonded debt, \$4,248,000, represents bonds secured solely by the specified revenue sources, i.e., revenue bonds.

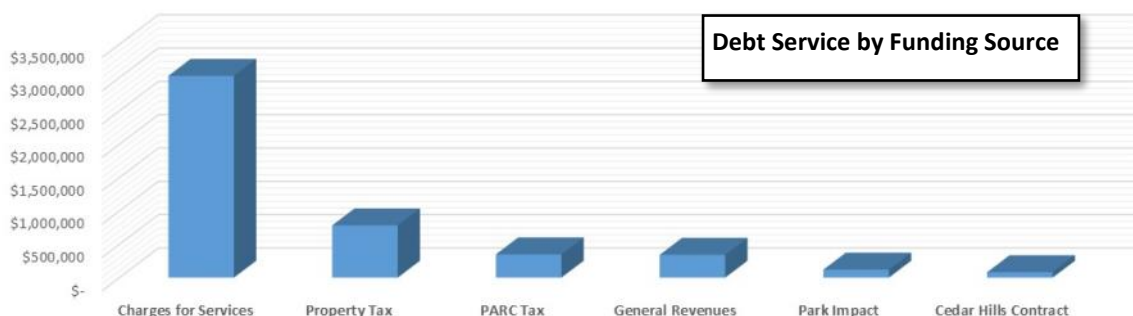
GO Bond Debt (Excluding Pressurized Irrigation) \$940,000

GO Bond Debt (Pressurized Irrigation) \$35,440,000

Revenue Bonds Debt \$4,248,000

Capital Leases Outstanding \$1,646,124

Issue	Purpose	Funding Source	Remaining Balance	FY2020 Debt Service	Last Payment
2011 GO Refunding	Fire Station	Property Tax	\$350,000	\$185,098	June 2021
2014 GO Refunding	Police/Courts Building	Property Tax	\$590,000	\$599,027	June 2020
2018 Sales Tax	Art Dye/Cemetery Expansion	PARC Tax Park Impact	\$3,645,000	\$470,808	May 2028
Total Governmental Funds Debt			\$4,585,000	\$1,254,933	
2012 Water Revenue Bonds	Culinary Water Projects	User Fees	\$603,000	\$52,221	January 2033
2015 GO Bonds	Pressurized irrigation System	User Fees	\$6,375,000	\$510,038	September 2035
2016 GO Bonds	Pressurized irrigation System	User Fees	\$29,065,000	\$2,467,250	September 2035
Total Enterprise Funds Debt			\$36,043,000	\$3,029,509	
Capital Leases	Vehicles	General Fund Cedar Hills Contract	\$1,646,124	\$425,573	
TOTAL DEBT			\$42,274,124	\$4,710,015	



AMERICAN FORK CITY ADMINISTRATION

51 E MAIN ST

AMERICAN FORK, UT 84003-2381

(801) 763-3000

WWW.AFCITY.ORG/FINANCE